

Place-based transformation through innovation governance: What role(s) for regional government?



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EU regional policy and regional government

- EU's 'smart' regional policy fully recognises the key role of regions in making Europe's green and digital transitions towards climate-neutrality a reality.
- 'Innovation' is the shared dynamic that brings together regional actors in processes of mutual engagement, deliberation, collaboration and co-creation.
- Regional government organisations are expected to act as change agents leading this collective process of innovation-driven territorial transformation.
- ***Although assumed in smart specialisation, are all regional government organisations able to do so? Do differences in regional power matter for innovation governance success?***

Innovation governance and regional power

- **EMPIRICAL:** Hardly any empirical research exists that looks into this – is regional power necessary for shaping regional innovation trajectories?
- **LITERATURE:** The ability of regional government as an organisation to take the lead in innovation governance is assumed to be linked to its amount of authoritative decision-making power.
- ... but does that mean that regions without substantial degrees of regional autonomy are doomed? If so, that would mean that 75% of European regions* cannot play a leadership role in innovation-driven territorial transformation.

** 75% = approx 220 out of 281 NUTS-2 regions in EU-28, UK included*

- **RESEARCH QUESTION: How does regional government as organisation matter for innovation governance?**

Public Administration to open the black box

- *Elinor OSTROM (1990; 1994; 2000) on governance levels:*

Public decision-making processes are complex, because, when government governs, 'three worlds of action' come together. Not only do these 'worlds' interact in any given situation, but action is interlinked at all three levels which constrains collective action.

- *Christopher HOOD (1991; 2006; 2014) on governance quality:*

Different types of values determine how 'success' versus 'failure' of government action is assessed. Because different 'worlds of action' occur simultaneously, different and sometimes conflicting criteria for good governance apply.

- *Theo TOONEN (1998; 2009; 2014) on governance capacity:*

Although these sets of values are not mutually exclusive, for the purpose of uncovering organizational 'roles', each governance level is associated with one dominant administrative value. 'Governance capacity' can be conceptualised as a matrix of multiple analytical lenses and frames of thinking.

Insights from Public Administration: questions

- Regional innovation has been studied by geographers and economists, but what about Public Administration scholars?
- **Question 1: what is it that the regional government tier does?** The ‘what’ question is about its core purpose, its core functions, and the ‘what’ should be applicable to all regional government types irrespective of their amount of regional autonomy in decision-making.
- **Question 2: how are these core functions executed and assessed?** How does regional government realise its purpose? But also, how to assess the execution, when can we speak of good governance, when of bad governance?

Insights from Public Administration: answers

- Answer to question 1: **WHAT?**
- The four core functions/purposes of regional government:
 - 1) is an expression and representation of 'community'
 - 2) serves as a manager of resources to 'deliver public goods and services'
 - 3) represents a distinct 'political-administrative entity' within a larger multi-level government system
 - 4) acts as an 'architect of change' and/or institution of last resort.

Insights from Public Administration: answers

- Answer to question 2: **HOW?**
- Regional government operates at four levels of governance:
 - 1) operational (is about 'responsiveness', 'efficiency')
 - 2) procedural (is about 'fairness', 'impartiality', 'transparency')
 - 3) constitutional (is about 'reliability', 'adaptability', 'resilience')
 - 4) contextual (is about 'congruence' in time and space, fitting).

Designing an 'innovation governance matrix':

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Regional government functions:	I. Embodies/represents regional community	II. Provides public goods, services and policies	III. Is a self-standing unit in a larger government system	IV. Acts as an agent of change or institution of last resort
Levels of governance:				
1. Operational				
2. Procedural				
3. Constitutional				
4. Contextual				

Regional government roles in innovation governance:

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Regional government functions:	I. Embodies/represents regional community	II. Provides public goods, services and policies	III. Is a self-standing unit in a larger government system	IV. Acts as an agent of change or institution of last resort
Levels of governance:				
1. Operational	"community-driven organiser"	"responsive problem solver"	"relations handler"	"change manager"
2. Procedural	"innovation community builder"	"solution enabler"	"(pro-)active networker"	"agent of change"
3. Constitutional	"regional interest establisher"	"system weather proofer"	"competent co-producer"	"innovation visionary"
4. Contextual	"regional history connector"	"regional-needs-first proponent"	"regional power builder"	"regional futurist"

Empirical findings from 6 European regions

- Regional government is an important actor in regional innovation governance, taking on not one or two, but *multiple roles* to make governance a success.
- The study also shows that *similar functions* can be performed *in different ways*, aspiring different types of governance success ('efficient' in the use of scarce resources, 'transparent' in process working methods, 'inclusive' to involve all stakeholders, etc.).
- Case studies demonstrated *a large empirical variety* in regional leadership roles in innovation governance, irrespective of:
 - types of regional innovation system deficiencies, and
 - types of formal-administrative state competencies.

Conclusions on innovation governance

- Understanding 'innovation governance' led by regional government requires a **multi-dimensional, multi-layered conceptualisation** of that actor, applicable in all government system types (federal, unitary).
- The heuristic-analytical framework developed by Corvers (2019) is an attempt to do so by unlocking the black box of regional governance.
- Combining multiple analytical lenses opens up different 'layers of explanation' (Allison & Zelikow, 1999) of cross-regional variation in innovation governance.
- It also serves as a toolbox of regional government roles that shows possible ways for regions to act irrespective of their formal decision-making powers within their nation-state.

Thank you !

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